

**First Amendment to the State of Colorado Public Officials and Employees  
Defined Contribution Pension Plan**

WHEREAS, the State of Colorado adopted and established the State of Colorado Public Officials' and Employees' Defined Contribution Pension Plan (the "Plan") effective January 1, 1999 pursuant to the provisions of C.R.S. 24-54.7-101 (2001) to provide retirement benefits to certain public and elected officials;

WHEREAS, the Plan was subsequently amended and restated in its entirety, effective October 1, 2004; and

WHEREAS, additional changes are necessary to the Plan to comply with the requirements of HB05-1231 and SB05-073, which were enacted effective July 1, 2005, to provide for de minimis distributions, rollover contributions, and revise the definition of compensation.

NOW THEREFORE, in consideration of the premises, the Plan is amended effective August 1, 2005 unless a different effective date is indicated below.

1. The Preamble to the Plan document shall be amended in its entirety to read as follows:

**PREAMBLE**

WHEREAS, the State of Colorado adopted and established the State of Colorado Public Officials and Employees Defined Contribution Pension Plan (the "Plan") effective January 1, 1999 pursuant to the provisions of C.R.S. 24-54.7-101 (2001) to provide retirement benefits to certain public and elected officials;

WHEREAS, the Plan was amended by the adoption of the First Amendment effective January 1, 1999, the Second Amendment effective January 1, 2002 and was subsequently amended and restated in its entirety effective October 1, 2004;

WHEREAS, responsibility for the Plan was initially vested in the State Defined Contribution Retirement Committee under C.R.S. 24-54.7-103 (2001), however, pursuant to the provisions of SB02-231, administration of the Plan is now the responsibility of the State Deferred Compensation Committee effective July 1, 2002;

WHEREAS, ICMA Retirement Corporation, Great-West Life & Annuity Insurance Company and Hartford Life Insurance Company were retained as Bundled Providers to provide investment funds and administrative services to the Plan effective July 1, 2005; with VALIC Retirement

Services Corporation and ICMA Retirement Corporation as Bundled Providers prior to July 1, 2005; and

WHEREAS, pursuant to legislative changes to the statutes governing the Plan, HB05-1231 and SB 05-073, corresponding changes are necessary to the Plan. The Plan is amended effective July 1, 2005, unless indicated otherwise.

2. Section 2.9, Eligible Employee, shall be revised to read as follows:

Section 2.9 -- "Eligible Employee" means a member of the general assembly, the governor, the lieutenant governor, the attorney general, the chief deputy attorney general, the solicitor general, the secretary of state, the deputy secretary of state, the state treasurer, the deputy state treasurer, a district attorney, an assistant district attorney, a chief deputy district attorney, a deputy district attorney, or other employee of a district attorney, a member of the public utilities commission, an executive director of a department of state appointed by the governor, an employee of the senate or the house of representatives, and a nonclassified employee of the office of the governor for whom a defined contribution plan has been established pursuant to the provisions of this article. Effective January 1, 2006, an Eligible Employee includes any Employee who commences employment with an Employer on or after January 1, 2006 and who, if not commencing employment in a state elected official's position, has not been a member of the Association or an active participant in a defined contribution plan established pursuant to part 2, article 52, title 24, C.R.S. during the twelve months prior to the date that the individual commenced employment. Eligible Employee includes a retiree of the Association who is serving in a state elected official's position, but does not include any other retiree of the Association or a retiree of the Association who has suspended benefits. Section 24-52-202(3), C.R.S.

3. Section 3.1, Eligible Employee Initially Appointed to an Eligible Position, shall be amended effective July 1, 2005 as follows:

Section 3.1 – Initial Eligible Employee Election.

An Employee who becomes an Eligible Employee before January 1, 2006 who is neither a member nor an inactive member of the Association and who is initially appointed to an Eligible Position before January 1, 2006 shall make a written election within sixty days of commencing employment in such position to participate in the Association or in this Plan. In the absence of such written election, such person shall be a member of the Association. Section 24-52-205(2), C.R.S..

An Employee who becomes an Eligible Employee on or after January 1, 2006, shall make an irrevocable written election within sixty days of commencing employment in such position to participate in the Association or in the Plan. In the absence of such written election and for Employees who do not meet the requirements for an Eligible Employee, such Employee shall be a member of the Association.

Upon termination of employment for which an employee is eligible to participate in the Plan, the Participant's accrued balance in the Plan shall remain fully vested and the participant may rollover, request distribution, transfer or retain his or her balance in the Plan pursuant to the terms of the Plan, any contract applicable to the Plan and the requirements of the Internal Revenue Code.

Any Employee of an Employer who is hired on or after January 1, 2006, who is not commencing employment in a state elected official's position and who has participated in the Plan at any time during the twelve months prior to the date that the Employee commences employment shall automatically continue participation in the Plan upon commencing employment.

4. Section 4.4, Definition of Compensation, the first paragraph shall be amended to read as follows:

Notwithstanding any other provision of this Plan, and solely for purposes of determining the amount of the contributions made to this Plan under this Article IV, the term "Compensation" shall mean salary as defined in C.R.S. § 24-51-101(42) for services rendered to an Employer, including regular salary or pay; any pay for administrative, sabbatical, annual, sick, vacation or personal leave; pay for compensatory time or holidays; payments by Employer from grants; amounts deducted from pay pursuant to tax-sheltered savings or retirement programs; amounts deducted from pay for a health savings account as defined in 26 U.S.C. § 223, as amended, or another type of retirement health savings account program; performance or merit payments, if approved by the Administrator special pay for work-related injuries paid by Employer prior to termination of participation in this Plan; and retroactive salary payments pursuant to court orders, arbitration awards or litigation and grievance settlements; provided that the term "Compensation" shall not include amounts excluded from gross income under a cafeteria plan defined in code section 125, or under a qualified transportation fringe benefit program defined in Code Section 132(f)(4), , compensation for unused sick, annual, vacation, administrative or other accumulated paid leave contributed to a health savings account as defined in 26 U.S.C. § 223, as amended or a retirement health savings program; housing allowances, uniform allowances, automobile usage, insurance premiums, dependent care assistance, reimbursement for expenses incurred;, tuition or any other

fringe benefits, regardless of federal taxation, bonuses for services not actually rendered, including but not limited to early retirement inducements, Christmas bonuses, cash awards, honorariums and severance pay, damages, except for retroactive salary payments paid pursuant to court orders or arbitration awards or litigation and grievance settlements, or payments beyond the date of a Participant's death.

5. Section 4.6, Rollover Contributions, will be added to the Plan to read as follows:

4.6 Rollover Amounts from Other Eligible Plans. Subject to rules adopted by the Committee, a Participant may make and the Plan will accept a direct rollover or regular rollover of an Eligible Rollover Distributions as defined in section 7.9(b), excluding after-tax participant contributions, from an Eligible Retirement Plan under Section 7.9(b). Upon receipt of a Rollover Contribution, the Trustee shall credit the amount of any Eligible Rollover Contribution to the Participant's Rollover Account pursuant to section 5.3(b) and shall invest such amount in accordance with the provisions of the Plan. For purposes of determining whether any amount tendered by a Participant for rollover is a Eligible Rollover Distribution, the Participant shall establish to the satisfaction of the Committee that the amount tendered represents an Eligible Rollover Distribution. The Committee shall determine whether the amount is an Eligible Rollover Distribution, and may rely upon evidence submitted by the Participant and the opinion of legal counsel in making such determination.

6. Section 7.2, Time of Distributions shall be amended to read as follows:  
Section 7.2 -- Time of Distributions.

(a) In General. Except as provided in section 7.2(c), unless the Participant elects otherwise pursuant to subsection (b) below, the Participant's interest shall be distributable commencing no later than an administratively feasible period following the applicable event described in Section 7.1, provided that the Participant's interest shall be distributable no later than the required distribution commencement date set forth in Section 7.3(a).

(b) Participant Consent. Except as provided in section 7.2(c) for account balances less than \$1,000, no distribution under this Plan may be made to a Participant prior to the later of the Participant's Normal Retirement Age, or the Participant's sixty-second (62nd) birthday, without the Participant's written consent. A Participant may elect, to have the commencement of the benefit deferred until a date later than the date specified in subsection (a) of this Section 7.2, but in no event shall the commencement of distribution be later than the required distribution commencement date specified in Section 7.3. An election shall be made by submitting to the Bundled Provider a written request, signed by the Participant, which describes the benefit and the date on which the payment of the benefit shall commence. Notwithstanding the

foregoing, the failure of a Participant to consent to a distribution of a benefit, which is immediately distributable, as determined under subsection (a), shall be deemed to be an election to defer commencement of distributions.

(c) Cash Out Distributions. Notwithstanding any other provision of the Plan, if a Participant terminates employment and the value of the Participant's total account balance under the Plan does not exceed \$1,000, the Participant will receive a distribution of the entire value of their account balance under the Plan in a single lump sum distribution within 60 days following termination of employment. The Administrator shall adopt procedures for the Bundled Providers to notify affected Participants and provide an opportunity for a direct rollover distribution with respect to cash out distributions, however, in the absence of a rollover election, distribution shall be made to the Participant under this Section.

7. Section 7.4(c), Transfer to Other Plans, shall be amended to read as follows:

(c) Transfer to Other Plans. The Participants interest may be transferred to another qualified plan or individual retirement account as authorized in sections 7.9 and 3.4.

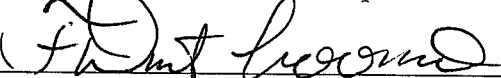
8. Section 7.8, Spendthrift Provisions, shall be amended to read as follows:

Section 7.8 -- Spendthrift Provisions.

Except as provided in C.R.S. 24-52-208, all amounts payable hereunder shall be paid only to the Participant or Beneficiary entitled thereto, and all payments shall be paid directly into the hands of the person or persons and not into the hands of any other person, corporation, trustee or entity whatsoever except for transfers to other qualified retirement plans or individual retirement accounts at the written direction of a Participant, and the payments shall not be liable for the debts, contracts or engagements of any person or persons or anyone claiming by or through them, or taken in execution by attachment or garnishment or by any other legal or equitable proceedings (including bankruptcy); nor shall any person or persons have any right to alienate, anticipate, commute, pledge, encumber or assign any payments or the benefits, proceeds or avails thereof, either voluntarily or involuntarily.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on behalf of the Deferred Compensation Committee, effective August 1, 2005 and as otherwise indicated above.

State of Colorado Deferred Compensation Committee

By:   
F. David Loomis, Chair

Date: July 14, 2005

**Second Amendment to the  
State of Colorado Public Officials' and Employees'  
Defined Contribution Retirement Plan**

WHEREAS, the State of Colorado adopted and established the State of Colorado Public Officials' and Employees' Defined Contribution Retirement Plan (the "Plan") and Trust Agreement effective January 1, 1999 pursuant to the provisions of C.R.S. 24-54.7-101 (2001) to provide retirement benefits to certain public and elected officials;

WHEREAS, responsibility for the Plan and Trust were initially vested in the State Defined Contribution Retirement Committee under C.R.S. 24-54.7-103 (2001), however, pursuant to the provisions of SB02-231, administration of the Plan is now the responsibility of the State Deferred Compensation Committee effective July 1, 2002;

WHEREAS, the Plan was amended and restated in its entirety effective October 1, 2004 and was subsequently amended effective July 1, 2005;

WHEREAS, the State Deferred Compensation Committee established pursuant to C.R.S. 24-52-102, is the Trustee of the Trust and the fiduciary of the Plan and has authority to amend the Plan and the Trust Agreement;

NOW THEREFORE, in consideration of the premises, the Plan and the Trust Agreement shall be amended effective November 1, 2005, to read as follows:

1. Section 2.16, Definition of Year, Plan Year and Limitation Year, shall be amended to read as follows:

Section 2.16 – "Year", and "Limitation Year" means the twelve (12) consecutive month period, which ends on December 31<sup>st</sup> of year. Effective July 1, 2006, the Plan Year shall be the State's fiscal year which is a twelve (12) consecutive month period commencing on July 1, and ending the following June 30. There shall be a short Plan Year from January 1, 2006 to June 30, 2006.

2. Section 4.1, Retirement Plan Contributions, shall be amended to read as follows:

Section 4.1 -- Pension Contributions.

The Employer shall pay to the Plan for each month as an employer contribution for the benefit of a Participant an amount equal to the percentage of the Participant's Compensation that the Employer would pay to the Association. In addition to the employer contribution, the Employer shall pay to the Plan for each month as an employee contribution for the benefit of a Participant an amount equal to the percentage of the Participant's Compensation that the Employer would pay to the Association as an employee contribution if the Participant was eligible to receive benefits from the Association. Each contribution paid to the

Plan pursuant to this Section 4.1 shall be referred to as an Employer Contribution. In no event shall the contributions for any Participant exceed the limitation on allocations set forth in Article VI below.

3. Section 4.4, Definition of Compensation shall be amended to read as follows:

Section 4.4 -- Definition of Compensation.

Notwithstanding any other provision of this Plan, and solely for purposes of determining the amount of the contributions made to this Plan under this Article IV, the term "Compensation" shall mean compensation for services rendered to Employer, including regular salary or pay; pursuant to Section 24-51-101(42) of the Colorado Revised Statutes; any pay for administrative, sabbatical, annual, sick, vacation or personal leave; pay for compensatory time or holidays; payments by Employer from grants; amounts deducted from pay pursuant to tax-sheltered savings or retirement programs; amounts deducted from pay for a health savings account as defined in 26 U.S.C. 223, as amended, or any other type of retirement health savings account program, performance or merit payments, if approved by the Administrator special pay for work-related injuries paid by Employer prior to termination of participation in this Plan; and retroactive salary payments pursuant to court orders, arbitration awards or litigation and grievance settlements; provided that the term "Compensation" shall not include amounts excluded from gross income under a cafeteria plan defined in code section 125, commissions, compensation for unused sick leave converted at any time to cash payments, compensation for unused sick, annual, vacation, administrative or other accumulated paid leave contributed to a health savings account as defined in 26 U.S.C. 223, as amended, or a retirement health savings programs, housing allowances, uniform allowances, automobile usage, insurance premiums, dependent care assistance, reimbursement for expenses incurred (other than expense, subsistence or travel allowances considered as "salary" pursuant to Section 24-51-101(42) of the Colorado Revised Statutes), tuition or any other fringe benefits, regardless of federal taxation, bonuses for services not actually rendered, including but not limited to early retirement inducements, Christmas bonuses, cash awards, honorariums and severance pay, damages, except for retroactive salary payments paid pursuant to court orders or arbitration awards or litigation and grievance settlements, or payments beyond the date of a Participant's death. In the event of a conflict between the provisions of this section 4.4 and the definition of Salary set forth in C.R.S. 24-51-101(42), Compensation shall be determined in accordance with the definition of salary in C.R.S. 24-51-101(42).

The Compensation limit is \$200,000, as adjusted for cost of living increases in accordance with Code § 401(a)(17)(B). If the Compensation for any prior determination period is taken into account in determining an Employee's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual Compensation limit in

effect for that prior determination period, subject to the rules of the Plan then in effect for the determination of compensation. The determination period for the purposes of this subsection shall be the calendar year.

4. Section 6.1, subparagraph (a), Limitation, shall be amended to read as follows:
  - (a) Limitation. In no event may a Participant receive an allocation for any Limitation Year which, when combined with his or her allocation under any other defined contribution plan maintained by the Employer, exceeds the lesser of one hundred percent (100%) of his or her Compensation for the year or \$40,000, or any greater amount which may be in effect for the Limitation Year under Code Section 415(c)(1). If a short Limitation Year is created as a result of a change in the Limitation Year, the dollar limitation for the short Limitation Year shall be the dollar limitation set forth in this subsection multiplied by a fraction, the numerator of which is the number of months in the short year and the denominator of which is twelve (12).
5. Section 7.4, subparagraph(c), Transfer to Other Plans, shall be amended to read as follows:
  - (c) Transfer to Other Plans. The Participant's interest may be transferred to another qualified plan or individual retirement account as authorized in Sections 7.9 and 12.1 below.
6. The Trust Agreement dated January 1, 1999 shall be amended and restated in its entirety and added to Article IX of the restated Plan document effective September 1, 2005 as follows:
  - 9.2 Trust Accounts. The Committee as defined in Section 24-52-101 of the Colorado Revised Statutes shall serve as Trustee of the Trust established to hold all the Contributions to and assets of the Plan.
  - 9.3 Trust Fund. The Trust Fund shall consist of all Contributions made or transferred to the Trust Fund as provided herein, and the investments and reinvestments thereof and the income thereon, which shall be accumulated and added to principal. Assets in the Trust shall be held for the exclusive purpose of providing benefits to Participants and Beneficiaries and to pay the reasonable costs of administering the Plan. The Trustee shall act with the care, skill, prudence and diligence in light of the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. Assets in the Trust are not State funds and shall not revert or inure to the benefit of the State.
  - 9.4 Trustee Control. The Trustee shall hold and invest the funds and assets received by the Trustee under this Plan subject to the terms of this Plan and for the purposes herein set forth. The Trustee shall invest and reinvest all Trust fund assets in



accordance with the standards of C.R.S. 15-1-304 and C.R.S. 24-52- 201 et seq. The Trustee shall be responsible only for such funds and assets as shall actually be received by the Trustee as Trustee hereunder.

So long as a Trustee is acting, title to any of the assets of the Trust Fund may be held or registered in the name of a nominee of the Trustee for ease of dealing with the same, provided that the books of the Trust reflect actual ownership. The assets so held or registered shall at all times remain in the possession or under the control of the Trustee.

#### 9.5 Investment Options

- (a) The Trustee shall establish such Investment Options as the Committee shall direct, and shall divide the Trust among Investment Options in accordance with the investment directions of Participants or Beneficiaries that are made as provided in section 5.6 of this Plan.
- (b) The Trustee may offer Investment Options through Bundled Providers including a participant directed brokerage arrangement. Neither the Committee, the Trustee, nor the Administrator has any duty, responsibility or liability to determine or review the appropriateness of Investment Options made available through any participant directed investment brokerage arrangement established under the Plan.
- (c) Investment Options shall be established either by direct investment or through Bundled Providers with the medium of a bank, a trust fund, an insurance contract or regulated investment company mutual fund, as the Committee shall direct. Each Investment Option shall be held and administered as part of the Trust, but shall be separately invested and accounted for. For this purpose, a participant directed brokerage arrangement established under paragraph (b) shall be considered a single Investment Option. The assets of the Trust invested in each of the Investment Options shall be separately valued at fair market value as of the appropriate valuation date.
- (d) The Committee, the Administrator and the Trustee are not fiduciaries and are not liable for any loss resulting from a Participant's or Beneficiary's exercise or failure to exercise control over his or her Defined Contribution Account provided under the Plan, including, but not limited to, any request or failure to request an investment allocation.
- (e) Participant or Beneficiary is not a fiduciary by reason of the exercise or failure to exercise control over his or her Defined Contribution Account as permitted under the Plan.

## 9.6 Trustee Appointment, Resignation, Removal and Succession

- (a) Appointment of Trustee. The Trustee shall be the Committee or its designee.
- (b) Resignation or Removal of Trustee. The Trustee (or any individual trustee) may resign at any time by filing the Trustee's (or individual trustee's) resignation, in writing, with the Administrator. The removal of the Trustee (or any individual trustee) shall be accomplished pursuant to State statute or applicable regulatory guidance. Upon resignation or removal, the Trustee shall render an accounting of its administration since the last annual accounting and shall transfer and deliver the assets in its custody under this Plan to any remaining or successor Trustee. Any successor Trustee shall have all the same titles, rights, powers, authorities, discretions and immunities as the original Trustee hereunder.

## 9.7 Management of Trust Assets

- (c) Powers of the Trustee or Investment Manager. The Trustee who is managing and administering the Trust Fund or, if applicable, an investment manager which has been appointed by the Committee to manage the Plan's assets, shall be and hereby is empowered and authorized, in its sole discretion and subject to current rules and regulations at the time the investment is made and subject to the provisions of the Plan with respect to Participant direction (and voting) of investments:
  - (1) To invest and reinvest Contributions and any accretions thereto, whether capital gains or income or both, and the proceeds of any sale, pledge, lease or other disposition of any assets of the Trust Fund in bonds, notes, mortgages, commercial paper, mutual funds, contracts with insurance companies including group annuity contracts, variable annuity contracts, and guaranteed interest contracts, or in any other type of personal or real property permitted by law.
  - (2) To vote any and all stock held hereunder and to continue any investment in stocks, bonds, real estate notes or other securities, or real or personal property, which may at any time form a part of the Trust Fund.
  - (3) To invest, reinvest and change investments; to sell, mortgage, lease, assign, transfer and convey any and all of the Trust Fund property for cash or on credit, at public or private sale; to exchange any Trust Fund property for other property; to grant options to purchase or acquire any Trust Fund property; to determine the prices and terms of sales, exchanges or options; and to execute, acknowledge and deliver any and all deeds or other trust instruments of conveyance which

may be required to carry the foregoing powers into effect, without obligation on the part of the purchaser, lessee, lender, assignee or transferee, or anyone to whom the property may in any way be conveyed to see to the application of the purchase money loans or property exchanged, transferred, assigned or conveyed.

- (4) To allow cash in the Trustee's custody to remain on deposit in the commercial or savings department of any bank or trust company supervised by the United States or a State or agency of either, at any time and from time to time in a reasonable amount; and, as to such amount on deposit, the Trustee shall have liability for such interest as may be paid on such deposit.
- (5) To exercise with respect to all investments all of the rights, powers and privileges of an owner including, without limiting the foregoing, the power to give proxies and to pay calls, assessments and other sums deemed necessary for the protection of the Trust Fund; to participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers and liquidations, and in connection therewith to deposit securities with and transfer title to any protective or other committee under such terms as the Trustee may deem advisable; to exercise or sell stock subscriptions or conversion rights and to accept and retain as an investment hereunder any securities received through the exercise of any of the foregoing powers.
- (6) To take any action with respect to conserving or realizing upon the value of any Trust Fund property and with respect to foreclosures, reorganizations, or other changes affecting the Trust Fund property; to collect, pay, contest, compromise, or abandon demands of or against the Trust Fund estate, wherever situated; and to execute contracts, conveyances and other instruments, including instruments containing covenants and warranties binding upon and creating a charge against the Trust Fund estate.
- (7) To employ agents, including investment counsel, for advice and to manage the investment of the Trust Fund property, to employ attorneys, auditors, depositories and proxies, with or without discretionary powers and all such parties shall have the right to rely upon and execute the written instructions of the Trustee, and shall not be obligated to inquire into the propriety of the acts or directions of the Trustee.
- (8) To compromise any claims existing in favor of or made against the Trust Fund.

- (9) To engage in any litigation, either for the collection of monies or for other properties due the Trust Fund, or in defense of any claim against the Trust Fund.
  - (10) To invest or reinvest all or any part of the Trust assets in any common, collective or commingled trust fund that is maintain by a bank or other institution.
  - (11) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.
- (d) Investment Manager. Notwithstanding the foregoing, the Committee reserves the right to appoint an investment adviser registered as such under the Investment Advisers Act of 1940, a bank (as defined in that Act) or an insurance company qualified to perform investment management services under the laws of more than one state to manage the investments of all or any part of the Trust Fund. Upon such appointment, and acknowledgment by the appointee that it is a fiduciary, the appointee shall have all rights to manage the investments of that portion of the Trust Fund over which authority has been granted. The Trustee shall be relieved of all further responsibility in respect thereof and shall abide by the instructions of such appointee.
- (e) Powers of the Participants. The provisions of this subsection shall govern the voting and tendering of stock, as long as the resulting voting and tendering (or nontendering) of stock are proper and are in accordance with the terms of the Plan and applicable law. If the voting and tendering (or nontendering) of stock that would result from the application of the provisions of this Article are not proper or are not in accordance with the terms of the Plan, the Trustee shall vote or tender (or not tender) stock in the manner consistent with its duties hereunder. The Trustee shall vote and tender (or not tender) itself or by proxy, all shares of stock held in trust under the Plan pursuant to the procedures established by the Administrator including, if elected by the Administrator in its discretion, pursuant to instructions received by the Administrator from Participants concerning the vesting and tendering of stock in which their respective accounts are invested.

9.8 LEGAL COUNSEL. The Trustee may consult with legal counsel (who may or may not be counsel for the State; provided, however, that while the Committee is the Trustee, legal counsel shall be the Attorney General or counsel appointed by the Attorney General) concerning any question which may arise with reference its obligation to discharge its duties under this Plan for the exclusive benefit of Participants and Beneficiaries, and the Trustee may rely in good faith upon the opinion of such counsel.

9.9 ACCOUNTING OF FUNDS AND TRANSACTIONS

- (f) The Trustee shall keep true and accurate records of all transactions of the Trust Fund which records shall be available for inspection on order by authorized representatives of the State or by Participants at reasonable times.

Although a separate Account for each Participant under the Plan shall be maintained as herein provided, it shall not be necessary for the Trustee to make or maintain an actual physical division of the assets of the Trust Fund until the time shall arrive for the payment to a Participant or a Beneficiary, and, at such time or times, the Trustee need only make an actual division of so much of any Account as may be necessary to satisfy the particular payments to be made.

- (g) The Trustee shall prepare and deliver to the State an accounting of the funds and transactions since the last previous such accounting of the Trust Fund. The earnings and losses of the Trust Fund will be allocated to each Participant's Account.

9.10 RELIANCE ON TRUSTEE. No person contracting or in any way dealing with the Trustee shall be under any obligation to ascertain or inquire: (a) into any powers of the Trustee, (b) whether such powers have been properly exercised, or (c) about the sources or applications of any funds received from or paid to the Trustee. Any person contracting or in any way dealing with the Trustee may rely on the exercise of any power or authority as the conclusive evidence that the Trustee possesses such power or authority.

9.11 LEGAL ACTION. In the case of any suit or proceeding regarding this Plan to which the Trustee is a party, and the Trustee is the Committee, the Committee and its individual members shall be defended pursuant to the provisions of the Colorado Governmental Immunity Act and the coverage provided by the risk management fund pursuant to the provisions of C.R.S. § 24-30-1510. The Colorado Constitution and State Fiscal Rules prohibit the State of Colorado from indemnifying any individual.

7. Section 8.5, Compensation and Expenses of Administrator, shall be amended to read as follows:

Section 8.5 -- Compensation and Expenses of Administrator.

Any person serving as Administrator who is an employee of the Employer shall serve without compensation. The compensation of any non-employee Administrator, all agents, counsel or the Committee shall fix other persons retained or employed by the Committee. All expenses, reimbursements and compensation authorized by this Section shall be chargeable to and paid from the Plan, provided that the Employer may pay all or any part of the expenses, reimbursements or compensation in its sole discretion.

8. Section 11.4, subparagraph (c), Accrued Benefits, shall be amended to read as follows:

(c) Accrued Benefits. No amendment shall decrease a Participant's account balance. Furthermore, no amendment to the Plan shall have the effect of decreasing a Participant's vested interest determined without regard to the amendment as of the later of the date the amendment is adopted or the date it becomes effective.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on behalf of the Deferred Compensation Committee, effective November 1, 2005 and as otherwise indicated above.

State of Colorado Deferred Compensation Committee

By: \_\_\_\_\_

F. David Loomis, Chair

Date: \_\_\_\_\_

October 13, 2005

**Third Amendment to the  
State of Colorado Public Officials' and Employees'  
Defined Contribution Retirement Plan**

WHEREAS, the State of Colorado adopted and established the State of Colorado Public Officials' and Employees' Defined Contribution Retirement Plan (the "Plan") and Trust Agreement effective January 1, 1999 pursuant to the provisions of C.R.S. 24-54.7-101 (2001) to provide retirement benefits to certain public and elected officials;

WHEREAS, responsibility for the Plan and Trust were initially vested in the State Defined Contribution Retirement Committee under C.R.S. 24-54.7-103 (2001), however, pursuant to the provisions of SB02-231, administration of the Plan is now the responsibility of the State Deferred Compensation Committee effective July 1, 2002;

WHEREAS, the Plan was amended and restated in its entirety effective October 1, 2004 and was subsequently amended;

WHEREAS, the State Deferred Compensation Committee established pursuant to C.R.S. 24-52-102, is the Trustee of the Trust and the fiduciary of the Plan and has authority to amend the Plan and the Trust Agreement;

NOW THEREFORE, in consideration of the premises, the Plan and the Trust Agreement shall be amended effective August 1, 2006, unless a different effective date is otherwise indicated, to read as follows:

1. Section 2.9, Eligible Employee, shall be revised to read as follows:

Section 2.9 -- "Eligible Employee" means a member of the general assembly, the governor, the lieutenant governor, the attorney general, the chief deputy attorney general, the solicitor general, the secretary of state, the deputy secretary of state, the state treasurer, the deputy state treasurer, a district attorney, an assistant district attorney, a chief deputy district attorney, a deputy district attorney, or other employee of a district attorney, a member of the public utilities commission, an executive director of a department of state appointed by the governor, an employee of the senate or the house of representatives, a nonclassified employee of the office of the governor and any Employee who commences employment with an Employer, other than a state college or university as defined in section 24-54.5-102(7) and any institution under the control of the board of regents of the university of Colorado, on or after January 1, 2006, and who, if not commencing employment in a state elected official's position, has not been a member of the Association's defined benefit plan or a defined contribution plan during the twelve months prior to the date that he or she commenced employment, for whom a defined contribution plan has been established pursuant to the provisions of this part 2. Effective January 1, 2008, an Eligible Employee shall also include any

employee who commences employment with a state college or university as defined in Section 24-54.5-102(7), C.R.S. and any institution under the control of the board of regents of the university of Colorado on or after January 1, 2008 and who has not been a member of the association's defined benefit plan or defined contribution plan or an active participant in a defined contribution plan established by such college, university or institution during the twelve months prior to the date that he or she commenced employment, for whom a defined contribution plan has been established pursuant to Section 24-52-201, C.R.S. Eligible Employee includes a retiree of the Association who is serving in a state elected official's position, but does not include any other retiree of the Association or a retiree of the Association who has suspended benefits. Section 24-52-202(3), C.R.S.

The Committee may interpret the above statutory definition of Eligible Employee as applicable to certain employees and make a determination of their eligibility under the Plan. A list of Eligible Employees upon which the Committee has made a specific determination shall be maintained as Exhibit A to the Plan, as may be amended.

2. Section 2.10, Definition of Employer, shall be amended to read as follows:

Section 2.10 -- "Employer" means the State of Colorado, the General Assembly, the office of the district attorney within a judicial district, and any State Department that employs an Eligible Employee and any state college or university as defined in Section 24-54.5-102(7), C.R.S. and any institution under control of the board of regents of the university of Colorado. Employer shall not include an institution governed pursuant to part 5, article 21, title 23 of C.R.S.

3. Section 3.1, Eligible Employee Initially Appointed to an Eligible Position, shall be amended as follows:

Section 3.1 – Initial Eligible Employee Election.

Any Employee who becomes an Eligible Employee before January 1, 2006 who is neither a member nor an inactive member of the Association and who is initially appointed to an Eligible Position before January 1, 2006 shall make a written election within sixty days of commencing employment in such position to participate in the Association or in this Plan. In the absence of such written election, such person shall be a member of the Association. Section 24-52-205(2)(a), C.R.S.

Any Employee who becomes an Eligible Employee on or after January 1, 2006, shall make an irrevocable written election within sixty days of commencing employment in such position to participate in the Association or in the Plan, or for eligible employees of a state college or university as defined in Section 24-54.5-102(7), C.R.S. and any institution under the



control of the board of Regents of the University of Colorado, a defined contribution plan established for such employees by such college, university or institution. In the absence of such written election and for Employees who do not meet the requirements for an Eligible Employee, such Employee shall be a member of the Association. Section 24-52-205(2.5)(a)

Upon termination of employment for which an employee is eligible to participate in the Plan, the Participant's accrued balance in the Plan shall remain fully vested and the participant may rollover, request distribution, transfer or retain his or her balance in the Plan pursuant to the terms of the Plan, any contract applicable to the Plan and the requirements of the Internal Revenue Code.

Any Employee of an Employer who is hired on or after January 1, 2006, who is not commencing employment in a state elected official's position and who has participated in the Plan at any time during the twelve months prior to the date that the Employee commences employment shall automatically continue participation in the Plan upon commencing employment.

4. Section 3.2, Eligible Employee Written Election, subparagraph (a) shall be amended to read as follows:

Section 3.2 -- Eligible Employee Written Election

(a) An Employee who is an Eligible Employee before January 1, 2006 who is a member or inactive member of the Association may, as long as the employee is employed in an eligible position, make a written election during the annual open enrollment period for the state employees group benefit plan to participate in this Plan. The written election shall be effective the first day of the annual state employees group benefit plan year established pursuant to Section 24-50-604(1)(m), C.R.S. In the absence of such written election, such person shall be a member of the Association. Section 24-52-205(2)(b), C.R.S. Any election to participate in this Plan shall be in writing and filed with the Association and the Eligible Employee's Employer.

5. Section 3.4, Election to Join the Association, shall be amended to read as follows:

Section 3.4 -- Election to Join the Association.

Eligible Employees of an Employer who do not elect to participate in this Plan shall participate in the Association. An Eligible Employee who was a Participant in this Plan prior to January 1, 2006, may terminate future contributions to the Plan and instead participate in the Association by making a written election during the annual open enrollment period for the state employee group benefit plan of any year. The written election shall be effective on the first day of the annual state employee group benefit plan year, established pursuant to

Section 24-50-604(1)(m), C.R.S. Any such election to participate in the Association shall be in writing and shall be filed with the Association and the Eligible Employee's Employer. An election to join the Association pursuant to the provisions of Section 3.1 or Section 3.2 of this Article III shall be in writing, and shall be made in the manner prescribed by the Association and filed with the Association within 30 days after the election.

An Eligible Employee who terminates participation in this Plan and becomes a member of the Association may, upon meeting the requirement of Section 24-51-505, C.R.S. purchase service credit for the period of employment during which the Employee was a participant in this Plan pursuant to the rules of the Association and Section 24-51-505, C.R.S. The cost to purchase service shall be the full actuarial cost as determined by the actuary of the Association but not less than the cost charged for other purchases of noncovered employment pursuant to Section 24-51-505(3), C.R.S. The Employee may elect to have any portion of the purchase of service credit through a direct rollover from this Plan pursuant to Article VII. Upon purchasing service credit for employment that was covered by this Plan, the Employee may not have any benefit under this Plan.

6. Section 4.4, Definition of Compensation, shall be amended to read as follows:

Section 4.4 -- Definition of Compensation.

Notwithstanding any other provision of this Plan, and solely for purposes of determining the amount of the contributions made to this Plan under this Article IV, the term "Compensation" shall mean compensation for services rendered to Employer, including regular salary or pay; pursuant to Section 24-51-101(42) of the Colorado Revised Statutes; any pay for administrative, sabbatical, annual, sick, vacation or personal leave; pay for compensatory time or holidays; payments by Employer from grants; amounts deducted from pay pursuant to tax-sheltered savings or retirement programs; amounts deducted from pay for a health savings account as defined in 26 U.S.C. 223, as amended, or any other type of retirement health savings account program, performance or merit payments, if approved by the Administrator special pay for work-related injuries paid by Employer prior to termination of participation in this Plan; and retroactive salary payments pursuant to court orders, arbitration awards or litigation and grievance settlements; provided that the term "Compensation" shall not include amounts excluded from gross income under a cafeteria plan defined in code section 125, or under a qualified transportation fringe benefit program defined in Code Section 132(f)(4); commissions; compensation for unused sick leave converted at any time to cash payments; compensation for unused sick, annual, vacation, administrative or other accumulated paid leave contributed to a health savings account as defined in 26 U.S.C. 223, as amended, or a retirement health savings programs; housing allowances, uniform allowances, automobile usage, insurance premiums, dependent care assistance, reimbursement for expenses incurred (other than expense, subsistence or travel allowances considered as "salary" pursuant to Section 24-51-101(42) of the Colorado Revised Statutes), tuition or any other

fringe benefits, regardless of federal taxation; bonuses for services not actually rendered, including but not limited to early retirement inducements, Christmas bonuses, cash awards, honorariums and severance pay, damages, except for retroactive salary payments paid pursuant to court orders or arbitration awards or litigation and grievance settlements, or payments beyond the date of a Participant's death. In the event of a conflict between the provisions of this section 4.4 and the definition of Salary set forth in C.R.S. 24-51-101(42), Compensation shall be determined in accordance with the definition of salary in C.R.S. 24-51-101(42). Notwithstanding the foregoing and consistent with IRS regulations, Compensation shall include any amount paid to a Participant as vacation pay only within two and one-half months following Severance from Employment.

The Compensation limit is \$200,000, as adjusted for cost of living increases in accordance with Code § 401(a)(17)(B). If the Compensation for any prior determination period is taken into account in determining an Employee's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual Compensation limit in effect for that prior determination period, subject to the rules of the Plan then in effect for the determination of compensation. The determination period for the purposes of this subsection shall be the calendar year.

7. Section 7.8, Spendthrift Provisions, shall be amended to read as follows:

Section 7.8 -- Spendthrift Provisions.

Except as provided in C.R.S. 24-52-208, all amounts payable hereunder shall be paid only to the Participant or Beneficiary entitled thereto, and all payments shall be paid directly into the hands of the person or persons and not into the hands of any other person, corporation, trustee or entity whatsoever except for transfers to other qualified retirement plans or individual retirement accounts at the written direction of a Participant, and the payments shall not be liable for the debts, contracts or engagements of any person or persons or anyone claiming by or through them, or taken in execution by attachment or garnishment or by any other legal or equitable proceedings (including bankruptcy); nor shall any person or persons have any right to alienate, anticipate, commute, pledge, encumber or assign any payments or the benefits, proceeds or avails thereof, either voluntarily or involuntarily. Notwithstanding any other provision of the Plan, the Committee may pay benefits under this Plan to alternate Payees as provided pursuant to Section 24-52-208, C.R.S. and Code Section 414(p), as set forth in and governed by the State of Colorado Qualified Domestic Relations Order Policy, as adopted and approved by the Committee, and as may be subsequently amended.

**Exhibit A**  
**State Defined Contribution Plan**  
**List of Eligible Employees**  
**August 1, 2006**

**Eligible Employees and Employers**


1. College Invest. Established and governed by CRS 23-3.1-205.4. Part of the Department of Higher Education. Employees are “declared to hold educational offices and are exempt from the state personnel system.” CRS 23-3.1-203(1).
2. CCHE. Governed by CRS 23-1-102. The executive director and employees of CCHE are declared to be educational personnel and are exempt from the state personnel system. CRS 23-1-110. CCHE members are not eligible.
3. Private Occupational School Division. Governed by CRS 23-60-703. Director and employees are declared to hold educational offices and to be exempt from the state personnel system.
4. Student Loan Program. Governed by 23-3.1-103. The director and staff are declared to hold educational offices and to be exempt from the state personnel system.
5. State Historical Society. Governed by CRS 24-30-201. Is a Educational institution of the state of Colorado. All employees are declared to be officer and teachers in an educational institution and therefore not under the state personnel system.
6. State Council on the Arts employees hired on and after July 1, 2006, per SB 06-049.
7. All temporary employees hired on or after January 1, 2006 are eligible for an election to participate in the State DC Plan. If the employee worked for the State in the previous 12 months prior to hire date then they would continue enrollment in that Plan.
8. Classified and other employees of the Judicial Division of State government are eligible, however judges are not eligible.

## **Not Eligible**

- A. Judges are not eligible to elect to participate in the State DC Plan. Judges are appointees of the judicial branch of state government and are not employees of the state, general assembly, or district attorney.
- B. State Council on the Arts. Governed by CRS 23-9-103. Counsel members serve without compensation so they cannot be in the State DC plan. NOT Eligible
- C. CCHE. Governed by CRS 23-1-102. Members of CCHE cannot be employees of higher educational institution and serve without compensation. NOT Eligible.
- D. National Guard. Commencement of retirement coverage for National Guard members called up to duty starts after 31 days of consecutive service. On day 32 the 60-day period to make a retirement election begins. There should be no contributions to a retirement plan prior to day 31.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on behalf of the Deferred Compensation Committee, effective August 1, 2006 and as otherwise indicated above.

State of Colorado Deferred Compensation Committee

By:   
F. David Loomis, Chair

Date: JULY 31, 2006

**Fourth Amendment to the  
State of Colorado Public Officials' and Employees'  
Defined Contribution Retirement Plan**

WHEREAS, the State of Colorado adopted and established the State of Colorado Public Officials' and Employees' Defined Contribution Retirement Plan (the "Plan") and Trust Agreement effective January 1, 1999 pursuant to the provisions of C.R.S. 24-54.7-101 (2001) to provide retirement benefits to certain public and elected officials;

WHEREAS, responsibility for the Plan and Trust were initially vested in the State Defined Contribution Retirement Committee under C.R.S. 24-54.7-103 (2001), however, pursuant to the provisions of SB02-231, administration of the Plan is now the responsibility of the State Deferred Compensation Committee effective July 1, 2002;

WHEREAS, the Plan was amended and restated in its entirety effective October 1, 2004 and was subsequently amended;

WHEREAS, the State Deferred Compensation Committee established pursuant to C.R.S. 24-52-102, is the Trustee of the Trust and the fiduciary of the Plan and has authority to amend the Plan and the Trust Agreement;

NOW THEREFORE, in consideration of the premises, the Plan and the Trust Agreement shall be amended effective January 1, 2008, consistent with statutory changes made by HB07-1377, unless a different effective date is otherwise indicated, to read as follows:

1. Section 2.9, Eligible Employee, shall be revised to read as follows:

Section 2.9 -- "Eligible Employee" means a member of the general assembly, the governor, the lieutenant governor, the attorney general, the chief deputy attorney general, the solicitor general, the secretary of state, the deputy secretary of state, the state treasurer, the deputy state treasurer, a district attorney, an assistant district attorney, a chief deputy district attorney, a deputy district attorney, or other employee of a district attorney, a member of the public utilities commission, an executive director of a department of state appointed by the governor, an employee of the senate or the house of representatives, a nonclassified employee of the office of the governor and any Employee who commences employment with an Employer, on or after January 1, 2006, and who, if not commencing employment in a state elected official's position, has not been a member of the Association's defined benefit plan or a defined contribution plan during the twelve months prior to the date that he or she commenced employment, for whom a defined contribution plan has been established pursuant to the provisions of this part 2. Eligible Employee includes a retiree of the Association who is serving in a state elected

official's position, but does not include any other retiree of the Association or a retiree of the Association who has suspended benefits. Section 24-52-202(3), C.R.S.

The Committee may interpret the above statutory definition of Eligible Employee as applicable to certain employees and make a determination of their eligibility under the Plan. A list of Eligible Employees upon which the Committee has made a specific determination shall be maintained as Exhibit A to the Plan, as may be amended.

2. Section 2.10, Definition of Employer, shall be amended to read as follows:

Section 2.10 -- "Employer" means the State of Colorado, the General Assembly, the office of the district attorney in a judicial district, and any State Department that employs an Eligible Employee. Employer shall not include any state college or university as defined in Section 24-54.5-102(7), C.R.S., any institution under control of the board of regents of the university of Colorado, or an institution governed pursuant to part 5, article 21, title 23 of C.R.S.

3. Section 3.1, Eligible Employee Initially Appointed to an Eligible Position, shall be amended as follows:

Section 3.1 – Initial Eligible Employee Election.

Any Employee who becomes an Eligible Employee before January 1, 2006 who is neither a member nor an inactive member of the Association and who is initially appointed to an Eligible Position on or after the effective date of the establishment of a defined contribution plan at such eligible employee's employing entity shall make a written election within sixty days of commencing employment in such position to participate in the Association or in this Plan. In the absence of such written election, such person shall be a member of the Association. Section 24-52-205(2)(a), C.R.S.

Any Employee who becomes an Eligible Employee on or after January 1, 2006, shall make an irrevocable written election within sixty days of commencing employment in such position to participate in the Association or in the Plan. In the absence of such written election and for persons who do not meet the requirements for an Eligible Employee, such person shall be a member of the Association. Section 24-52-205(2.5) (a)

Upon termination of employment for which an employee is eligible to participate in the Plan, the Participant's accrued balance in the Plan shall remain fully vested and the participant may rollover, request distribution, transfer or retain his or her balance in the Plan pursuant to the terms of the



Plan, any contract applicable to the Plan and the requirements of the Internal Revenue Code. Section 24-52-205(1) (b)

Any Employee of an Employer who is hired on or after January 1, 2006, who is not commencing employment in a state elected official's position and who has participated in the Plan at any time during the twelve months prior to the date that the Employee commences employment shall automatically continue participation in the Plan upon commencing employment. Section 24-52-205(2.5) (b)

**Exhibit A**  
**State Defined Contribution Plan**  
**List of Eligible Employees**  
**August 1, 2006**

**Eligible Employees and Employers**

The following entities are eligible to participate in the Plan:

- ❖ College Invest. Established and governed by CRS 23-3.1-203(1) Employees are employed by a division of the Department of Higher Education, but not an institution of higher education under CRS 24-52-202. CRS 23-3.1-203(1).
- ❖ CCHE. Governed by CRS 23-1-102. The executive director and employees of CCHE are declared to be educational employees, but are not employed by an institution of higher education under CRS 24-52-202. CRS 23-1-110. CCHE board members are not eligible.
- ❖ Private Occupational School Division. Governed by CRS 23-60-703. Director and employees are education employees.
- ❖ Student Loan Program. Governed by 23-3.1-103. The director and staff are education employees.
- ❖ State Historical Society. Governed by CRS 24-80-201. Is an Educational institution of the state of Colorado. All employees are declared to be officers and teachers in an educational institution, but they are not employed by an institution of higher education under CRS 24-52-202.
- ❖ Colorado Council of Arts employees hired on and after July 1, 2006, per SB 06-049.
- ❖ All temporary employees hired on or after January 1, 2006 are eligible for an election to participate in the State DC Plan. If the employee worked for the State in the previous 12 months prior to hire date then they would continue enrollment in that Plan.
- ❖ Classified and other employees of the Judicial Division of State government are eligible, however judges are not eligible.

**Unique Eligibility**

National Guard. Commencement of retirement coverage for National Guard members called up to duty starts after 31 days of consecutive service. On day 32 the 60-day period to make a retirement election begins. There should be no contributions to a retirement plan prior to day 31. CRS 28-3-904

**Not Eligible**

The following entities are not eligible to participate in the Plan:

- ❖ Judges are not eligible to elect to participate in the State DC Plan. Judges are appointees of the judicial branch of state government and are not employees of the state, general assembly, or district attorney.
- ❖ State Council on the Arts. Governed by CRS 23-9-103. Counsel members serve without compensation so they cannot be in the State DC plan.
- ❖ CCHE. Governed by CRS 23-1-102. Members of CCHE cannot be employees of higher educational institution and serve without compensation.

IN WITNESS WHEREOF, the undersigned has executed this Amendment on behalf of the Deferred Compensation Committee, effective January 1, 2008 and as otherwise indicated above.

State of Colorado Deferred Compensation Committee

By:   
JoAnn Vondracek, Chair

Date: 5/22/08